

1 **COMMUNITY REINVESTMENT AGENCY AMENDMENTS**

2 2018 GENERAL SESSION

3 STATE OF UTAH

4

5 **LONG TITLE**

6 **General Description:**

7 This bill amends Title 17C, Limited Purpose Local Government Entities - Community
8 Reinvestment Agency Act.

9 **Highlighted Provisions:**

10 This bill:

- 11 ▶ defines terms;
- 12 ▶ requires a city and a county to report use of a housing allocation;
- 13 ▶ authorizes a public entity to donate the public entity's property to an agency;
- 14 ▶ modifies requirements for notice provided by an agency;
- 15 ▶ modifies the public benefit analysis required for a community reinvestment project
- 16 area plan;
- 17 ▶ removes the requirement that a taxing entity committee meet at least annually; and
- 18 ▶ makes technical and conforming changes.

19 **Money Appropriated in this Bill:**

20 None

21 **Other Special Clauses:**

22 None

23 **Utah Code Sections Affected:**

24 AMENDS:

- 25 **10-9a-408**, as last amended by Laws of Utah 2012, Chapter 212
- 26 **17-27a-408**, as last amended by Laws of Utah 2012, Chapter 212
- 27 **17C-1-102**, as last amended by Laws of Utah 2017, Chapter 456
- 28 **17C-1-202**, as last amended by Laws of Utah 2016, Chapter 350
- 29 **17C-1-207**, as last amended by Laws of Utah 2016, Chapter 350
- 30 **17C-1-401.5**, as renumbered and amended by Laws of Utah 2016, Chapter 350
- 31 **17C-1-402**, as last amended by Laws of Utah 2016, Chapter 350
- 32 **17C-1-403**, as last amended by Laws of Utah 2016, Chapter 350

- 33 **17C-1-603**, as last amended by Laws of Utah 2016, Chapter 350
 34 **17C-1-806**, as renumbered and amended by Laws of Utah 2016, Chapter 350
 35 **17C-1-902**, as last amended by Laws of Utah 2017, Chapter 456
 36 **17C-2-110**, as last amended by Laws of Utah 2017, Chapter 181
 37 **17C-3-109**, as last amended by Laws of Utah 2017, Chapter 181
 38 **17C-4-108**, as last amended by Laws of Utah 2016, Chapter 350
 39 **17C-5-104**, as last amended by Laws of Utah 2017, Chapter 456
 40 **17C-5-105**, as enacted by Laws of Utah 2016, Chapter 350
 41 **17C-5-108**, as enacted by Laws of Utah 2016, Chapter 350
 42 **17C-5-112**, as last amended by Laws of Utah 2017, Chapter 456
 43 **59-2-924.2**, as last amended by Laws of Utah 2016, Chapter 350

44

45 *Be it enacted by the Legislature of the state of Utah:*

46 Section 1. Section **10-9a-408** is amended to read:

47 **10-9a-408. Biennial review of moderate income housing element of general plan.**

48 (1) The legislative body of each city shall biennially:

49 (a) review the moderate income housing plan element of its general plan and its
 50 implementation; and

51 (b) in accordance with Subsection (2), prepare a report setting forth the findings of the
 52 review.

53 (2) Each report under Subsection (1) shall include a description of:

54 (a) efforts made by the city to reduce, mitigate, or eliminate local regulatory barriers to
 55 moderate income housing;

56 (b) actions taken by the city to encourage preservation of existing moderate income
 57 housing and development of new moderate income housing;

58 (c) progress made within the city to provide moderate income housing, as measured by
 59 permits issued for new units of moderate income housing; [~~and~~]

60 (d) efforts made by the city to coordinate moderate income housing plans and actions
 61 with neighboring municipalities[~~;~~]; and

62 (e) if applicable, the city's use of a housing allocation, as defined in Section 17C-1-102.

63 (3) The legislative body of each city shall send a copy of the report under Subsection

64 (1) to the Department of Workforce Services and the association of governments in which the
65 city is located.

66 (4) In a civil action seeking enforcement or claiming a violation of this section or of
67 Subsection 10-9a-404(5)(c), a plaintiff may not recover damages but may be awarded only
68 injunctive or other equitable relief.

69 Section 2. Section **17-27a-408** is amended to read:

70 **17-27a-408. Biennial review of moderate income housing element of general plan.**

71 (1) The legislative body of each county with a population over 25,000 shall biennially:

72 (a) review the moderate income housing plan element of its general plan and its
73 implementation; and

74 (b) in accordance with Subsection (2), prepare a report setting forth the findings of the
75 review.

76 (2) Each report under Subsection (1) shall include a description of:

77 (a) efforts made by the county to reduce, mitigate, or eliminate local regulatory barriers
78 to moderate income housing;

79 (b) actions taken by the county to encourage preservation of existing moderate income
80 housing and development of new moderate income housing;

81 (c) progress made within the county to provide moderate income housing, as measured
82 by permits issued for new units of moderate income housing; [~~and~~]

83 (d) efforts made by the county to coordinate moderate income housing plans and
84 actions with neighboring counties and municipalities[-]; and

85 (e) if applicable, the county's use of a housing allocation, as defined in Section
86 17C-1-102.

87 (3) The legislative body of each county with a population over 25,000 shall send a copy
88 of the report under Subsection (1) to the Department of Workforce Services and the association
89 of governments in which the county is located.

90 (4) In a civil action seeking enforcement or claiming a violation of this section or of
91 Subsection 17-27a-404(6)(c), a plaintiff may not recover damages but may be awarded only
92 injunctive or other equitable relief.

93 Section 3. Section **17C-1-102** is amended to read:

94 **17C-1-102. Definitions.**

95 As used in this title:

96 (1) "Active project area" means a project area that has not been dissolved in accordance
97 with Section 17C-1-702.

98 (2) "Adjusted tax increment" means the percentage of tax increment, if less than 100%,
99 that an agency is authorized to receive:

100 (a) for a pre-July 1, 1993, project area plan, under Section 17C-1-403, excluding tax
101 increment under Subsection 17C-1-403(3);

102 (b) for a post-June 30, 1993, project area plan, under Section 17C-1-404, excluding tax
103 increment under Section 17C-1-406;

104 (c) under a project area budget approved by a taxing entity committee; or

105 (d) under an interlocal agreement that authorizes the agency to receive a taxing entity's
106 tax increment.

107 (3) "Affordable housing" means housing owned or occupied by a low or moderate
108 income family, as determined by resolution of the agency.

109 (4) "Agency" or "community reinvestment agency" means a separate body corporate
110 and politic, created under Section 17C-1-201.5 or as a redevelopment agency or community
111 development and renewal agency under previous law:

112 (a) that is a political subdivision of the state;

113 (b) that is created to undertake or promote project area development as provided in this
114 title; and

115 (c) whose geographic boundaries are coterminous with:

116 (i) for an agency created by a county, the unincorporated area of the county; and

117 (ii) for an agency created by a municipality, the boundaries of the municipality.

118 (5) "Agency funds" means money that an agency collects or receives for ~~the purposes~~
119 ~~of~~ agency operations ~~or~~, implementing a project area plan, or other agency purposes,
120 including:

121 (a) project area funds;

122 (b) income, proceeds, revenue, or property derived from or held in connection with the
123 agency's undertaking and implementation of project area development; or

124 (c) a contribution, loan, grant, or other financial assistance from any public or private
125 source.

126 (6) "Annual income" means the same as that term is defined in regulations of the
127 United States Department of Housing and Urban Development, 24 C.F.R. Sec. 5.609, as
128 amended or as superseded by replacement regulations.

129 (7) "Assessment roll" means the same as that term is defined in Section 59-2-102.

130 (8) "Base taxable value" means, unless otherwise adjusted in accordance with
131 provisions of this title, a property's taxable value as shown upon the assessment roll last
132 equalized during the base year.

133 (9) "Base year" means, except as provided in Subsection 17C-1-402(4)(c), the year
134 during which the assessment roll is last equalized:

135 (a) for a pre-July 1, 1993, urban renewal or economic development project area plan,
136 before the project area plan's effective date;

137 (b) for a post-June 30, 1993, urban renewal or economic development project area
138 plan, or a community reinvestment project area plan that is subject to a taxing entity
139 committee:

140 (i) before the date on which the taxing entity committee approves the project area
141 budget; or

142 (ii) if taxing entity committee approval is not required for the project area budget,
143 before the date on which the community legislative body adopts the project area plan;

144 (c) for a project on an inactive airport site, after the later of:

145 (i) the date on which the inactive airport site is sold for remediation and development;

146 or

147 (ii) the date on which the airport that operated on the inactive airport site ceased
148 operations; or

149 (d) for a community development project area plan or a community reinvestment
150 project area plan that is subject to an interlocal agreement, as described in the interlocal
151 agreement.

152 (10) "Basic levy" means the portion of a school district's tax levy constituting the
153 minimum basic levy under Section 59-2-902.

154 (11) "Blight" or "blighted" means the condition of an area that meets the requirements
155 described in Subsection 17C-2-303(1) for an urban renewal project area or Section 17C-5-405
156 for a community reinvestment project area.

157 (12) "Blight hearing" means a public hearing regarding whether blight exists within a
158 proposed:

159 (a) urban renewal project area under Subsection 17C-2-102(1)(a)(i)(C) and Section
160 17C-2-302; or

161 (b) community reinvestment project area under Section 17C-5-405.

162 (13) "Blight study" means a study to determine whether blight exists within a survey
163 area as described in Section 17C-2-301 for an urban renewal project area or Section 17C-5-403
164 for a community reinvestment project area.

165 (14) "Board" means the governing body of an agency, as described in Section
166 17C-1-203.

167 (15) "Budget hearing" means the public hearing on a proposed project area budget
168 required under Subsection 17C-2-201(2)(d) for an urban renewal project area budget,
169 Subsection 17C-3-201(2)(d) for an economic development project area budget, or Subsection
170 17C-5-302(2)(e) for a community reinvestment project area budget.

171 (16) "Closed military base" means land within a former military base that the Defense
172 Base Closure and Realignment Commission has voted to close or realign when that action has
173 been sustained by the president of the United States and Congress.

174 (17) "Combined incremental value" means the combined total of all incremental values
175 from all project areas, except project areas that contain some or all of a military installation or
176 inactive industrial site, within the agency's boundaries under project area plans and project area
177 budgets at the time that a project area budget for a new project area is being considered.

178 (18) "Community" means a county or municipality.

179 (19) "Community development project area plan" means a project area plan adopted
180 under Chapter 4, Part 1, Community Development Project Area Plan.

181 (20) "Community legislative body" means the legislative body of the community that
182 created the agency.

183 (21) "Community reinvestment project area plan" means a project area plan adopted
184 under Chapter 5, Part 1, Community Reinvestment Project Area Plan.

185 (22) "Contest" means to file a written complaint in the district court of the county in
186 which the agency is located.

187 (23) "Economic development project area plan" means a project area plan adopted

188 under Chapter 3, Part 1, Economic Development Project Area Plan.

189 (24) "Fair share ratio" means the ratio derived by:

190 (a) for a municipality, comparing the percentage of all housing units within the
191 municipality that are publicly subsidized income targeted housing units to the percentage of all
192 housing units within the county in which the municipality is located that are publicly
193 subsidized income targeted housing units; or

194 (b) for the unincorporated part of a county, comparing the percentage of all housing
195 units within the unincorporated county that are publicly subsidized income targeted housing
196 units to the percentage of all housing units within the whole county that are publicly subsidized
197 income targeted housing units.

198 (25) "Family" means the same as that term is defined in regulations of the United
199 States Department of Housing and Urban Development, 24 C.F.R. Section 5.403, as amended
200 or as superseded by replacement regulations.

201 (26) "Greenfield" means land not developed beyond agricultural, range, or forestry use.

202 (27) "Hazardous waste" means any substance defined, regulated, or listed as a
203 hazardous substance, hazardous material, hazardous waste, toxic waste, pollutant, contaminant,
204 or toxic substance, or identified as hazardous to human health or the environment, under state
205 or federal law or regulation.

206 (28) "Housing allocation" means [~~tax increment~~] project area funds allocated for
207 housing under Section 17C-2-203, 17C-3-202, or 17C-5-307 for the purposes described in
208 Section 17C-1-412.

209 (29) "Housing fund" means a fund created by an agency for purposes described in
210 Section 17C-1-411 or 17C-1-412 that is comprised of:

211 (a) project area funds allocated for the purposes described in Section 17C-1-411; or
212 (b) an agency's housing allocation.

213 (30) (a) "Inactive airport site" means land that:

214 (i) consists of at least 100 acres;

215 (ii) is occupied by an airport:

216 (A) (I) that is no longer in operation as an airport; or

217 (II) (Aa) that is scheduled to be decommissioned; and

218 (Bb) for which a replacement commercial service airport is under construction; and

- 219 (B) that is owned or was formerly owned and operated by a public entity; and
220 (iii) requires remediation because:
- 221 (A) of the presence of hazardous waste or solid waste; or
222 (B) the site lacks sufficient public infrastructure and facilities, including public roads,
223 electric service, water system, and sewer system, needed to support development of the site.
- 224 (b) "Inactive airport site" includes a perimeter of up to 2,500 feet around the land
225 described in Subsection (30)(a).
- 226 (31) (a) "Inactive industrial site" means land that:
- 227 (i) consists of at least 1,000 acres;
228 (ii) is occupied by an inactive or abandoned factory, smelter, or other heavy industrial
229 facility; and
230 (iii) requires remediation because of the presence of hazardous waste or solid waste.
- 231 (b) "Inactive industrial site" includes a perimeter of up to 1,500 feet around the land
232 described in Subsection (31)(a).
- 233 (32) "Income targeted housing" means housing that is owned or occupied by a family
234 whose annual income is at or below 80% of the median annual income for a family within the
235 county in which the housing is located.
- 236 (33) "Incremental value" means a figure derived by multiplying the marginal value of
237 the property located within a project area on which tax increment is collected by a number that
238 represents the adjusted tax increment from that project area that is paid to the agency.
- 239 (34) "Loan fund board" means the Olene Walker Housing Loan Fund Board,
240 established under Title 35A, Chapter 8, Part 5, Olene Walker Housing Loan Fund.
- 241 (35) (a) " Local government building" means a building owned and operated by a
242 community for the primary purpose of providing one or more primary community functions,
243 including:
- 244 (i) a fire station;
245 (ii) a police station;
246 (iii) a city hall; or
247 (iv) a court or other judicial building.
- 248 (b) " Local government building" does not include a building the primary purpose of
249 which is cultural or recreational in nature.

250 (36) "Marginal value" means the difference between actual taxable value and base
251 taxable value.

252 (37) "Military installation project area" means a project area or a portion of a project
253 area located within a federal military installation ordered closed by the federal Defense Base
254 Realignment and Closure Commission.

255 (38) "Municipality" means a city, town, or metro township as defined in Section
256 10-2a-403.

257 (39) "Participant" means one or more persons that enter into a participation agreement
258 with an agency.

259 (40) "Participation agreement" means a written agreement between a person and an
260 agency that:

261 (a) includes a description of:

262 (i) the project area development that the person will undertake;

263 (ii) the amount of project area funds the person may receive; and

264 (iii) the terms and conditions under which the person may receive project area funds;

265 and

266 (b) is approved by resolution of the board.

267 (41) "Plan hearing" means the public hearing on a proposed project area plan required
268 under Subsection 17C-2-102(1)(a)(vi) for an urban renewal project area plan, Subsection
269 17C-3-102(1)(d) for an economic development project area plan, Subsection 17C-4-102(1)(d)
270 for a community development project area plan, or Subsection 17C-5-104(3)(e) for a
271 community reinvestment project area plan.

272 (42) "Post-June 30, 1993, project area plan" means a project area plan adopted on or
273 after July 1, 1993, and before May 10, 2016, whether or not amended subsequent to the project
274 area plan's adoption.

275 (43) "Pre-July 1, 1993, project area plan" means a project area plan adopted before July
276 1, 1993, whether or not amended subsequent to the project area plan's adoption.

277 (44) "Private," with respect to real property, means ~~[(a)]~~ property not owned by a
278 public entity or any other governmental entity ~~[, and]~~.

279 ~~[(b) not dedicated to public use.]~~

280 (45) "Project area" means the geographic area described in a project area plan within

281 which the project area development described in the project area plan takes place or is
282 proposed to take place.

283 (46) "Project area budget" means a multiyear projection of annual or cumulative
284 revenues and expenses and other fiscal matters pertaining to a project area prepared in
285 accordance with:

- 286 (a) for an urban renewal project area, Section 17C-2-202;
- 287 (b) for an economic development project area, Section 17C-3-202;
- 288 (c) for a community development project area, Section 17C-4-204; or
- 289 (d) for a community reinvestment project area, Section 17C-5-302.

290 (47) "Project area development" means activity within a project area that, as
291 determined by the board, encourages, promotes, or provides development or redevelopment for
292 the purpose of implementing a project area plan, including:

- 293 (a) promoting, creating, or retaining public or private jobs within the state or a
294 community;
- 295 (b) providing office, manufacturing, warehousing, distribution, parking, or other
296 facilities or improvements;
- 297 (c) planning, designing, demolishing, clearing, constructing, rehabilitating, or
298 remediating environmental issues;
- 299 (d) providing residential, commercial, industrial, public, or other structures or spaces,
300 including recreational and other facilities incidental or appurtenant to the structures or spaces;
- 301 (e) altering, improving, modernizing, demolishing, reconstructing, or rehabilitating
302 existing structures;
- 303 (f) providing open space, including streets or other public grounds or space around
304 buildings;
- 305 (g) providing public or private buildings, infrastructure, structures, or improvements;
- 306 (h) relocating a business;
- 307 (i) improving public or private recreation areas or other public grounds;
- 308 (j) eliminating blight or the causes of blight;
- 309 (k) redevelopment as defined under the law in effect before May 1, 2006; or
- 310 (l) any activity described in [~~Subsections (47)(a) through (k)~~] this Subsection (47)

311 outside of a project area that the board determines to be a benefit to the project area.

312 (48) "Project area funds" means tax increment or sales and use tax revenue that an
313 agency receives under a project area budget adopted by a taxing entity committee or an
314 interlocal agreement.

315 (49) "Project area funds collection period" means the period of time that:

316 (a) begins the day on which the first payment of project area funds is distributed to an
317 agency under a project area budget [~~adopted~~] approved by a taxing entity committee or an
318 interlocal agreement; and

319 (b) ends the day on which the last payment of project area funds is distributed to an
320 agency under a project area budget [~~adopted~~] approved by a taxing entity committee or an
321 interlocal agreement.

322 (50) "Project area plan" means an urban renewal project area plan, an economic
323 development project area plan, a community development project area plan, or a community
324 reinvestment project area plan that, after the project area plan's effective date, guides and
325 controls the project area development.

326 (51) (a) "Property tax" means each levy on an ad valorem basis on tangible or
327 intangible personal or real property.

328 (b) "Property tax" includes a privilege tax imposed under Title 59, Chapter 4, Privilege
329 Tax.

330 (52) "Public entity" means:

331 (a) the United States, including an agency of the United States;

332 (b) the state, including any of the state's departments or agencies; or

333 (c) a political subdivision of the state, including a county, municipality, school district,
334 local district, special service district, community reinvestment agency, or interlocal cooperation
335 entity.

336 (53) "Publicly owned infrastructure and improvements" means water, sewer, storm
337 drainage, electrical, natural gas, telecommunication, or other similar systems and lines, streets,
338 roads, curb, gutter, sidewalk, walkways, parking facilities, public transportation facilities, or
339 other facilities, infrastructure, and improvements benefitting the public and to be publicly
340 owned or publicly maintained or operated.

341 (54) "Record property owner" or "record owner of property" means the owner of real
342 property, as shown on the records of the county in which the property is located, to whom the

343 property's tax notice is sent.

344 (55) "Sales and use tax revenue" means revenue that is:

345 (a) generated from a tax imposed under Title 59, Chapter 12, Sales and Use Tax Act;

346 and

347 (b) distributed to a taxing entity in accordance with Sections 59-12-204 and 59-12-205.

348 (56) "Superfund site":

349 (a) means an area included in the National Priorities List under the Comprehensive
350 Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Sec. 9605; and

351 (b) includes an area formerly included in the National Priorities List, as described in
352 Subsection (56)(a), but removed from the list following remediation that leaves on site the
353 waste that caused the area to be included in the National Priorities List.

354 (57) "Survey area" means a geographic area designated for study by a survey area
355 resolution to determine whether:

356 (a) one or more project areas within the survey area are feasible; or

357 (b) blight exists within the survey area.

358 (58) "Survey area resolution" means a resolution adopted by a board that designates a
359 survey area.

360 (59) "Taxable value" means:

361 (a) the taxable value of all real property a county assessor assesses in accordance with
362 Title 59, Chapter 2, Part 3, County Assessment, for the current year;

363 (b) the taxable value of all real and personal property the commission assesses in
364 accordance with Title 59, Chapter 2, Part 2, Assessment of Property, for the current year; and

365 (c) the year end taxable value of all personal property a county assessor assesses in
366 accordance with Title 59, Chapter 2, Part 3, County Assessment, contained on the prior year's
367 tax rolls of the taxing entity.

368 (60) (a) "Tax increment" means the difference between:

369 (i) the amount of property tax revenue generated each tax year by a taxing entity from
370 the area within a project area designated in the project area plan as the area from which tax
371 increment is to be collected, using the current assessed value of the property; and

372 (ii) the amount of property tax revenue that would be generated from that same area
373 using the base taxable value of the property.

374 (b) "Tax increment" does not include taxes levied and collected under Section
375 59-2-1602 on or after January 1, 1994, upon the taxable property in the project area unless:

376 (i) the project area plan was adopted before May 4, 1993, whether or not the project
377 area plan was subsequently amended; and

378 (ii) the taxes were pledged to support bond indebtedness or other contractual
379 obligations of the agency.

380 (61) "Taxing entity" means a public entity that:

381 (a) levies a tax on property located within a project area; or

382 (b) imposes a sales and use tax under Title 59, Chapter 12, Sales and Use Tax Act.

383 (62) "Taxing entity committee" means a committee representing the interests of taxing
384 entities, created in accordance with Section 17C-1-402.

385 (63) "Unincorporated" means not within a municipality.

386 (64) "Urban renewal project area plan" means a project area plan adopted under
387 Chapter 2, Part 1, Urban Renewal Project Area Plan.

388 Section 4. Section **17C-1-202** is amended to read:

389 **17C-1-202. Agency powers.**

390 (1) An agency may:

391 (a) sue and be sued;

392 (b) enter into contracts generally;

393 (c) buy, obtain an option upon, acquire by gift, or otherwise acquire any interest in real
394 or personal property;

395 (d) sell, convey, grant, gift, or otherwise dispose of any interest in real or personal
396 property;

397 (e) enter into a lease agreement on real or personal property, either as lessee or lessor;

398 (f) provide for project area development as provided in this title;

399 (g) receive and use agency funds as provided in this title;

400 (h) if disposing of or leasing land, retain controls or establish restrictions and
401 covenants running with the land consistent with the project area plan;

402 (i) accept financial or other assistance from any public or private source for the
403 agency's activities, powers, and duties, and expend any funds the agency receives for any
404 purpose described in this title;

405 (j) borrow money or accept financial or other assistance from a public entity or any
 406 other source for any of the purposes of this title and comply with any conditions of any loan or
 407 assistance;

408 (k) issue bonds to finance the undertaking of any project area development or for any
 409 of the agency's other purposes, including:

410 (i) reimbursing an advance made by the agency or by a public entity to the agency;

411 (ii) refunding bonds to pay or retire bonds previously issued by the agency; and

412 (iii) refunding bonds to pay or retire bonds previously issued by the community that
 413 created the agency for expenses associated with project area development;

414 (l) pay an impact fee, exaction, or other fee imposed by a community in connection
 415 with land development; or

416 (m) transact other business and exercise all other powers described in this title.

417 (2) The establishment of controls or restrictions and covenants under Subsection (1)(h)
 418 is a public purpose.

419 (3) An agency may acquire real property under Subsection (1)(c) that is outside a
 420 project area only if the board determines that the property will benefit a project area.

421 Section 5. Section **17C-1-207** is amended to read:

422 **17C-1-207. Public entities may assist with project area development.**

423 (1) In order to assist and cooperate in the planning, undertaking, construction, or
 424 operation of project area development within an area in which the public entity is authorized to
 425 act, a public entity may:

426 (a) (i) provide or cause to be furnished:

427 (A) parks, playgrounds, or other recreational facilities;

428 (B) community, educational, water, sewer, or drainage facilities; or

429 (C) any other works which the public entity is otherwise empowered to undertake;

430 (ii) provide, furnish, dedicate, close, vacate, pave, install, grade, regrade, plan, or
 431 replan streets, roads, roadways, alleys, sidewalks, or other places;

432 (iii) in any part of the project area:

433 (A) (I) plan or replan any property within the project area;

434 (II) plat or replat any property within the project area;

435 (III) vacate a plat;

436 (IV) amend a plat; or
 437 (V) zone or rezone any property within the project area; and
 438 (B) make any legal exceptions from building regulations and ordinances;
 439 (iv) purchase or legally invest in any of the bonds of an agency and exercise all of the
 440 rights of any holder of the bonds;
 441 (v) enter into an agreement with another public entity concerning action to be taken
 442 pursuant to any of the powers granted in this title;
 443 (vi) do anything necessary to aid or cooperate in the planning or implementation of the
 444 project area development;
 445 (vii) in connection with the project area plan, become obligated to the extent
 446 authorized and funds have been made available to make required improvements or construct
 447 required structures; and
 448 (viii) lend, grant, or contribute funds to an agency for project area development or
 449 proposed project area development, including assigning revenue or taxes in support of an
 450 agency bond or obligation; and
 451 ~~[(b) 15 days after posting public notice:]~~
 452 (b) for less than fair market value or for no consideration, and subject to Subsection
 453 (4):
 454 (i) purchase or otherwise acquire property ~~[or]~~ from an agency;
 455 (ii) lease property from ~~[the]~~ an agency; ~~[or]~~
 456 ~~[(ii)]~~ (iii) sell, grant, convey, donate, or otherwise dispose of the public entity's
 457 property to an agency; or
 458 (iv) lease the public entity's property to ~~[the]~~ an agency.
 459 (2) Notwithstanding any law to the contrary, an agreement under Subsection (1)(a)(v)
 460 may extend over any period.
 461 ~~[(3) A grant or contribution of funds from a public entity to an agency, or from an~~
 462 ~~agency under a project area plan or project area budget,]~~
 463 (3) A public entity that provides assistance under this section is not subject to [the
 464 requirements of Section] Section 10-8-2 or 17-50-312.
 465 (4) A public entity may provide assistance described in Subsection (1)(b) no sooner
 466 than 15 days after the day on which the public entity posts notice of the assistance on:

467 (a) the Utah Public Notice Website described in Section 63F-1-701; and

468 (b) the public entity's public website.

469 Section 6. Section **17C-1-401.5** is amended to read:

470 **17C-1-401.5. Agency receipt and use of project area funds -- Distribution of**
471 **project area funds.**

472 (1) An agency may receive and use project area funds in accordance with this title.

473 (2) (a) A county that collects property tax on property located within a project area
474 shall, in accordance with Section 59-2-1365, distribute to an agency any tax increment that the
475 agency is authorized to receive.

476 (b) Tax increment distributed to an agency in accordance with Subsection (2)(a) is not
477 revenue of the taxing entity.

478 (3) (a) The project area funds collection period shall be measured:

479 (i) for a pre-July 1, 1993, project area plan, from the first tax year regarding which the
480 agency accepts tax increment from the project area;

481 (ii) for a post-June 30, 1993, urban renewal or economic development project area
482 plan:

483 (A) with respect to tax increment, from the first tax year for which the agency receives
484 tax increment under the project area budget; or

485 (B) with respect to sales and use tax revenue, as indicated in the interlocal agreement
486 between the agency and the taxing entity that authorizes the agency to receive all or a portion
487 of the taxing entity's sales and use tax revenue;

488 (iii) for a community development project area plan, as indicated in the resolution or
489 interlocal agreement of a taxing entity that authorizes the agency to receive the taxing entity's
490 project area funds;

491 (iv) for a community reinvestment project area plan that is subject to a taxing entity
492 committee:

493 (A) with respect to tax increment, from the first tax year for which the agency receives
494 tax increment under the project area budget; or

495 (B) with respect to sales and use tax revenue, in accordance with the interlocal
496 agreement between the agency and the taxing entity that authorizes the agency to receive all or
497 a portion of the taxing entity's sales and use tax revenue; or

498 (v) for a community reinvestment project area plan that is subject to an interlocal
499 agreement, in accordance with the interlocal agreement between the agency and the taxing
500 entity that authorizes the agency to receive the taxing entity's project area funds.

501 (b) Unless otherwise provided in a project area budget that is approved by a taxing
502 entity committee, or in an interlocal agreement adopted by a taxing entity, tax increment may
503 not be paid to an agency for a tax year before the tax year following:

504 (i) for an urban renewal project area plan, an economic development project area plan,
505 or a community reinvestment project area plan that is subject to a taxing entity committee, the
506 effective date of the project area plan; and

507 (ii) for a community development project area plan or a community reinvestment
508 project area plan that is subject to an interlocal agreement, the effective date of the interlocal
509 agreement that authorizes the agency to receive tax increment.

510 (4) With respect to a community development project area plan or a community
511 reinvestment project area plan that is subject to an interlocal agreement:

512 (a) a taxing entity may, through interlocal agreement, authorize an agency to be paid
513 any or all of the taxing entity's project area funds for any period of time; and

514 (b) the interlocal agreement authorizing the agency to be paid project area funds shall
515 specify:

516 (i) the base taxable value of the project area; and

517 (ii) the method of calculating the amount of project area funds to be paid to the agency.

518 (5) (a) (i) The boundaries of one project area may overlap and include the boundaries
519 of [~~an existing~~] another project area.

520 (ii) If a taxing entity committee is required to approve the project area budget of an
521 overlapping project area described in Subsection (5)(a)(i), the agency shall, before the first
522 meeting of the taxing entity committee at which the project area budget will be considered,
523 inform each taxing entity of the location of the overlapping boundaries.

524 (b) (i) Before an agency may receive tax increment from the newly created overlapping
525 portion of a project area, the agency shall inform the county auditor regarding the respective
526 amount of tax increment that the agency is authorized to receive from the overlapping portion
527 of each of the project areas.

528 (ii) The combined amount of tax increment described in Subsection (5)(b)(i) may not

529 exceed 100% of the tax increment generated from a property located within the overlapping
530 boundaries.

531 (c) Nothing in this Subsection (5) gives an agency a right to receive project area funds
532 that the agency is not otherwise authorized to receive under this title.

533 (d) The collection of project area funds from an overlapping project area described in
534 Subsection (5)(a) does not affect an agency's use of project area funds within the other
535 overlapping project area.

536 (6) With the written consent of a taxing entity, an agency may be paid tax increment,
537 from the taxing entity's property tax revenue only, in a higher percentage or for a longer period
538 of time, or both, than otherwise authorized under this title.

539 (7) Subject to Section 17C-1-407, an agency is authorized to receive tax increment as
540 described in:

541 (a) for a pre-July 1, 1993, project area plan, Section 17C-1-403;

542 (b) for a post-June 30, 1993, project area plan:

543 (i) Section 17C-1-404 under a project area budget adopted by the agency in accordance
544 with this title;

545 (ii) a project area budget approved by the taxing entity committee and adopted by the
546 agency in accordance with this title; or

547 (iii) Section 17C-1-406;

548 (c) a resolution or interlocal agreement entered into under Section 17C-2-207,
549 17C-3-206, 17C-4-201, or 17C-4-202;

550 (d) for a community reinvestment project area plan that is subject to a taxing entity
551 committee, a project area budget approved by the taxing entity committee and adopted by the
552 agency in accordance with this title; or

553 (e) for a community reinvestment project area plan that is subject to an interlocal
554 agreement, an interlocal agreement entered into under Section 17C-5-204.

555 Section 7. Section **17C-1-402** is amended to read:

556 **17C-1-402. Taxing entity committee.**

557 (1) The provisions of this section apply to a taxing entity committee that is created by
558 an agency for:

559 (a) a post-June 30, 1993, urban renewal project area plan or economic development

560 project area plan;

561 (b) any other project area plan adopted before May 10, 2016, for which the agency
562 created a taxing entity committee; and

563 (c) a community reinvestment project area plan that is subject to a taxing entity
564 committee.

565 (2) (a) (i) Each taxing entity committee shall be composed of:

566 (A) two school district representatives appointed in accordance with Subsection

567 (2)(a)(ii);

568 (B) (I) in a county of the second, third, fourth, fifth, or sixth class, two representatives
569 appointed by resolution of the legislative body of the county in which the agency is located; or

570 (II) in a county of the first class, one representative appointed by the county executive
571 and one representative appointed by the legislative body of the county in which the agency is
572 located;

573 (C) if the agency is created by a municipality, two representatives appointed by
574 resolution of the legislative body of the municipality;

575 (D) one representative appointed by the State Board of Education; and

576 (E) one representative selected by majority vote of the legislative bodies or governing
577 boards of all other taxing entities that levy a tax on property within the agency's boundaries, to
578 represent the interests of those taxing entities on the taxing entity committee.

579 (ii) (A) If the agency boundaries include only one school district, that school district
580 shall appoint the two school district representatives under Subsection (2)(a)(i)(A).

581 (B) If the agency boundaries include more than one school district, those school
582 districts shall jointly appoint the two school district representatives under Subsection
583 (2)(a)(i)(A).

584 (b) (i) Each taxing entity committee representative described in Subsection (2)(a) shall
585 be appointed within 30 days after the day on which the agency provides notice of the creation
586 of the taxing entity committee.

587 (ii) If a representative is not appointed within the time required under Subsection
588 (2)(b)(i), the board may appoint an individual to serve on the taxing entity committee in the
589 place of the missing representative until that representative is appointed.

590 (c) (i) A taxing entity committee representative may be appointed for a set term or

591 period of time, as determined by the appointing authority under Subsection (2)(a)(i).

592 (ii) Each taxing entity committee representative shall serve until a successor is
593 appointed and qualified.

594 (d) (i) Upon the appointment of each representative under Subsection (2)(a)(i), whether
595 an initial appointment or an appointment to replace an already serving representative, the
596 appointing authority shall:

597 (A) notify the agency in writing of the name and address of the newly appointed
598 representative; and

599 (B) provide the agency a copy of the resolution making the appointment or, if the
600 appointment is not made by resolution, other evidence of the appointment.

601 (ii) Each appointing authority of a taxing entity committee representative under
602 Subsection (2)(a)(i) shall notify the agency in writing of any change of address of a
603 representative appointed by that appointing authority.

604 (3) At a taxing entity committee's first meeting, the taxing entity committee shall adopt
605 an organizing resolution that:

606 (a) designates a chair and a secretary of the taxing entity committee; and

607 (b) if the taxing entity committee considers it appropriate, governs the use of electronic
608 meetings under Section 52-4-207.

609 (4) (a) A taxing entity committee represents all taxing entities regarding:

610 (i) an urban renewal project area plan;

611 (ii) an economic development project area plan; or

612 (iii) a community reinvestment project area plan that is subject to a taxing entity
613 committee.

614 (b) A taxing entity committee may:

615 (i) cast votes that are binding on all taxing entities;

616 (ii) negotiate with the agency concerning a proposed project area plan;

617 (iii) approve or disapprove:

618 (A) an urban renewal project area budget as described in Section 17C-2-204;

619 (B) an economic development project area budget as described in Section 17C-3-203;

620 or

621 (C) for a community reinvestment project area plan that is subject to a taxing entity

622 committee, a community reinvestment project area budget as described in Section 17C-5-302;

623 (iv) approve or disapprove an amendment to a project area budget as described in

624 Section 17C-2-206, 17C-3-205, or 17C-5-306;

625 (v) approve an exception to the limits on the value and size of a project area imposed

626 under this title;

627 (vi) approve:

628 (A) an exception to the percentage of tax increment to be paid to the agency;

629 (B) except for a project area funds collection period that is approved by an interlocal

630 agreement, each project area funds collection period; and

631 (C) an exception to the requirement for an urban renewal project area budget, an

632 economic development project area budget, or a community reinvestment project area budget

633 to include a maximum cumulative dollar amount of tax increment that the agency may receive;

634 (vii) approve the use of tax increment for publicly owned infrastructure and

635 improvements outside of a project area that the agency and community legislative body

636 determine to be of benefit to the project area, as described in Subsection

637 17C-1-409(1)(a)(iii)(D);

638 (viii) waive the restrictions described in Subsection 17C-2-202(1);

639 (ix) subject to Subsection (4)(c), designate the base taxable value for a project area

640 budget; and

641 (x) give other taxing entity committee approval or consent required or allowed under

642 this title.

643 (c) (i) Except as provided in Subsection (4)(c)(ii), the base year may not be a year that

644 is earlier than five years before the beginning of a project area funds collection period.

645 (ii) The taxing entity committee may approve a base year that is earlier than the year

646 described in Subsection (4)(c)(i).

647 (5) A quorum of a taxing entity committee consists of:

648 (a) if the project area is located within a municipality, five members; or

649 (b) if the project area is not located within a municipality, four members.

650 (6) Taxing entity committee approval, consent, or other action requires:

651 (a) the affirmative vote of a majority of all members present at a taxing entity

652 committee meeting:

653 (i) at which a quorum is present; and
654 (ii) considering an action relating to a project area budget for, or approval of a finding
655 of blight within, a project area or proposed project area that contains:

656 (A) an inactive industrial site;

657 (B) an inactive airport site; or

658 (C) a closed military base; or

659 (b) for any other action not described in Subsection (6)(a)(ii), the affirmative vote of
660 two-thirds of all members present at a taxing entity committee meeting at which a quorum is
661 present.

662 (7) (a) An agency may call a meeting of the taxing entity committee by sending written
663 notice to the members of the taxing entity committee at least 10 days before the date of the
664 meeting.

665 (b) Each notice under Subsection (7)(a) shall be accompanied by:

666 (i) the proposed agenda for the taxing entity committee meeting; and

667 (ii) if not previously provided and if the documents exist and are to be considered at
668 the meeting:

669 (A) the project area plan or proposed project area plan;

670 (B) the project area budget or proposed project area budget;

671 (C) the analysis required under Subsection 17C-2-103(2), 17C-3-103(2), or

672 17C-5-105[~~(2)~~](12);

673 (D) the blight study;

674 (E) the agency's resolution making a finding of blight under Subsection

675 17C-2-102(1)(a)(ii)(B) or Subsection 17C-5-402(2)(c)(ii); and

676 (F) other documents to be considered by the taxing entity committee at the meeting.

677 (c) (i) An agency may not schedule a taxing entity committee meeting on a day on
678 which the Legislature is in session.

679 (ii) Notwithstanding Subsection (7)(c)(i), a taxing entity committee may, by unanimous
680 consent, waive the scheduling restriction described in Subsection (7)(c)(i).

681 (8) (a) A taxing entity committee may not vote on a proposed project area budget or
682 proposed amendment to a project area budget at the first meeting at which the proposed project
683 area budget or amendment is considered unless all members of the taxing entity committee

684 present at the meeting consent.

685 (b) A second taxing entity committee meeting to consider a proposed project area
686 budget or a proposed amendment to a project area budget may not be held within 14 days after
687 the first meeting unless all members of the taxing entity committee present at the first meeting
688 consent.

689 ~~[(9)(a) Except as provided in Subsection (9)(b), each taxing entity committee shall~~
690 ~~meet at least annually during a project area funds collection period under an urban renewal, an~~
691 ~~economic development, or a community reinvestment project area budget to review the status~~
692 ~~of the project area.]~~

693 ~~[(b) A taxing entity committee is not required to meet in accordance with Subsection~~
694 ~~(9)(a) if the agency prepares and distributes on or before November 1 of each year a report as~~
695 ~~described in Section 17C-1-603.]~~

696 ~~[(10)] (9)~~ Each taxing entity committee shall be governed by Title 52, Chapter 4, Open
697 and Public Meetings Act.

698 ~~[(11)] (10)~~ A taxing entity committee's records shall be:

- 699 (a) considered the records of the agency that created the taxing entity committee; and
700 (b) maintained by the agency in accordance with Section 17C-1-209.

701 ~~[(12)] (11)~~ Each time a school district representative or a representative of the State
702 Board of Education votes as a member of a taxing entity committee to allow an agency to
703 receive tax increment, to increase the amount of tax increment the agency receives, or to extend
704 a project area funds collection period, that representative shall, within 45 days after the vote,
705 provide to the representative's respective school board an explanation in writing of the
706 representative's vote and the reasons for the vote.

707 ~~[(13)] (12)~~ (a) The auditor of each county in which an agency is located shall provide a
708 written report to the taxing entity committee stating, with respect to property within each
709 project area:

710 (i) the base taxable value, as adjusted by any adjustments under Section 17C-1-408;

711 and

712 (ii) the assessed value.

713 (b) With respect to the information required under Subsection ~~[(13)] (12)~~(a), the
714 auditor shall provide:

715 (i) actual amounts for each year from the adoption of the project area plan to the time
716 of the report; and

717 (ii) estimated amounts for each year beginning the year after the time of the report and
718 ending the time that each project area funds collection period ends.

719 (c) The auditor of the county in which the agency is located shall provide a report
720 under this Subsection [~~(13)~~] (12):

721 (i) at least annually; and

722 (ii) upon request of the taxing entity committee, before a taxing entity committee
723 meeting at which the committee considers whether to allow the agency to receive tax
724 increment, to increase the amount of tax increment that the agency receives, or to extend a
725 project area funds collection period.

726 [~~(14)~~] (13) This section does not apply to:

727 (a) a community development project area plan; or

728 (b) a community reinvestment project area plan that is subject to an interlocal
729 agreement.

730 [~~(15)~~] (14) (a) A taxing entity committee resolution approving a blight finding,
731 approving a project area budget, or approving an amendment to a project area budget:

732 (i) is final; and

733 (ii) is not subject to repeal, amendment, or reconsideration unless the agency first
734 consents by resolution to the proposed repeal, amendment, or reconsideration.

735 (b) The provisions of Subsection [~~(15)~~] (14)(a) apply regardless of when the resolution
736 is adopted.

737 Section 8. Section **17C-1-403** is amended to read:

738 **17C-1-403. Tax increment under a pre-July 1, 1993, project area plan.**

739 (1) Notwithstanding any other provision of law, this section applies retroactively to tax
740 increment under all pre-July 1, 1993, project area plans, regardless of when the applicable
741 project area was created or the applicable project area plan was adopted.

742 (2) (a) Beginning with the first tax year after April 1, 1983, for which an agency
743 accepts tax increment, an agency is authorized to receive:

744 (i) (A) for the first through the fifth tax years, 100% of tax increment;

745 (B) for the sixth through the tenth tax years, 80% of tax increment;

746 (C) for the eleventh through the fifteenth tax years, 75% of tax increment;
747 (D) for the sixteenth through the twentieth tax years, 70% of tax increment; and
748 (E) for the twenty-first through the twenty-fifth tax years, 60% of tax increment; or
749 (ii) for an agency that has caused a taxing entity committee to be created under
750 Subsection 17C-1-402(1)(a), any percentage of tax increment up to 100% and for any length of
751 time that the taxing entity committee approves.

752 (b) Notwithstanding any other provision of this section:

753 (i) an agency is authorized to receive 100% of tax increment from a project area for 32
754 years after April 1, 1983, to pay principal and interest on agency indebtedness incurred before
755 April 1, 1983, even though the size of the project area from which tax increment is paid to the
756 agency exceeds 100 acres of privately owned property under a project area plan adopted on or
757 before April 1, 1983; and

758 (ii) for up to 32 years after April 1, 1983, an agency debt incurred before April 1, 1983,
759 may be refinanced and paid from 100% of tax increment if the principal amount of the debt is
760 not increased in the refinancing.

761 (3) (a) For purposes of this Subsection (3)[5]:

762 (i) [~~additional~~] "Additional tax increment" means the difference between 100% of tax
763 increment for a tax year and the amount of tax increment an agency is paid for that tax year
764 under the percentages and time periods specified in Subsection (2)(a).

765 (ii) "Pledged" means a commitment by a board or a community legislative body to pay
766 the costs of bond indebtedness, an interfund loan, a reimbursement, or other contractual
767 obligation of the board or the community legislative body related to a convention center or
768 sports complex described in Subsection (3)(b).

769 (b) Notwithstanding the tax increment percentages and time periods in Subsection
770 (2)(a), an agency is authorized to receive additional tax increment for a period ending 32 years
771 after the first tax year after April 1, 1983, for which the agency receives tax increment from the
772 project area if:

773 (i) (A) the additional tax increment is used solely to pay all or part of the value of the
774 land for and the cost of the installation and construction of a publicly or privately owned
775 convention center or sports complex or any building, facility, structure, or other improvement
776 related to the convention center or sports complex, including parking and infrastructure

777 improvements;

778 (B) construction of the convention center or sports complex or related building,
779 facility, structure, or other improvement is commenced on or before June 30, 2002;

780 (C) the additional tax increment is pledged to pay all or part of the value of the land for
781 and the cost of the installation and construction of the convention center or sports complex or
782 related building, facility, structure, or other improvement; and

783 (D) the board and the community legislative body have determined by resolution that
784 the convention center or sports complex is:

785 (I) within and a benefit to a project area;

786 (II) not within but still a benefit to a project area; or

787 (III) within a project area in which substantially all of the land is publicly owned and a
788 benefit to the community; or

789 (ii) (A) the additional tax increment is used to pay some or all of the cost of the land
790 for and installation and construction of a recreational facility, as defined in Section 59-12-702,
791 or a cultural facility, including parking and infrastructure improvements related to the
792 recreational or cultural facility, whether or not the facility is located within a project area;

793 (B) construction of the recreational or cultural facility is commenced on or before
794 December 31, 2005; and

795 (C) the additional tax increment is pledged on or before July 1, 2005, to pay all or part
796 of the cost of the land for and the installation and construction of the recreational or cultural
797 facility, including parking and infrastructure improvements related to the recreational or
798 cultural facility.

799 (c) Notwithstanding Subsection (3)(b)(ii), a school district may not, without the school
800 district's consent, be paid less tax increment because of application of Subsection (3)(b)(ii) than
801 it would have been paid without that subsection.

802 (4) Notwithstanding any other provision of this section, an agency may use tax
803 increment received under Subsection (2) for any of the uses indicated in Subsection (3).

804 Section 9. Section **17C-1-603** is amended to read:

805 **17C-1-603. Annual report.**

806 (1) Beginning in 2016, on or before November 1 of each year, an agency shall:

807 (a) prepare an annual report as described in Subsection (2); and

808 (b) submit the annual report electronically to the county auditor, the State Tax
809 Commission, the State Board of Education, and each taxing entity from which the agency
810 receives project area funds.

811 (2) The annual report shall, for each active project area whose project area funds
812 collection period has not expired, contain the following information:

813 (a) an assessment of the change in marginal value, including:

814 (i) the base taxable value;

815 (ii) the prior year's assessed value;

816 (iii) the estimated current assessed value; and

817 (iv) a narrative description of the relative growth in assessed value;

818 (b) the amount of project area funds the agency received, including:

819 (i) a comparison of the actual project area funds received for the previous year to the
820 amount of project area funds forecasted when the project area was created, if available;

821 (ii) (A) the agency's historical receipts of project area funds, including the tax year for
822 which the agency first received project area funds from the project area, if available; or

823 (B) if the agency has not yet received project area funds from the project area, the year
824 in which the agency expects each project area funds collection period to begin;

825 (iii) a list of each taxing entity that levies or imposes a tax within the project area and a
826 description of the benefits that each taxing entity receives from the project area; and

827 (iv) the amount paid to other taxing entities under Section 17C-1-410, if applicable;

828 (c) a description of current and anticipated project area development, including:

829 (i) a narrative of any significant project area development, including infrastructure
830 development, site development, participation agreements, or vertical construction; and

831 (ii) other details of development within the project area, including total developed
832 acreage and total undeveloped acreage;

833 (d) the project area budget, if applicable, or other project area funds analysis,
834 including:

835 (i) each project area funds collection period;

836 (ii) the number of years remaining in each project area funds collection period;

837 (iii) the total amount of project area funds the agency is authorized to receive from the
838 project area cumulatively and from each taxing entity; and

839 (iv) the remaining amount of project area funds the agency is authorized to receive
840 from the project area cumulatively and from each taxing entity;

841 (e) the estimated amount of project area funds that the agency is authorized to receive
842 from the project area for the current calendar year;

843 (f) the estimated amount of project area funds to be paid to the agency for the next
844 calendar year;

845 (g) a map of the project area; and

846 (h) any other relevant information the agency elects to provide.

847 (3) A report prepared in accordance with this section:

848 (a) is for informational purposes only; and

849 (b) does not alter the amount of project area funds that an agency is authorized to
850 receive from a project area.

851 (4) The provisions of this section apply regardless of when the agency or project area is
852 created.

853 Section 10. Section **17C-1-806** is amended to read:

854 **17C-1-806. Requirements for notice provided by agency.**

855 (1) The notice required by Section 17C-1-805 shall be given by:

856 (a) (i) publishing one notice, excluding the map referred to in Subsection (3)(b), in a
857 newspaper of general circulation within the county in which the project area or proposed
858 project area is located, at least 14 days before the hearing;

859 (ii) if there is no newspaper of general circulation, posting notice at least 14 days
860 before the day of the hearing in at least three conspicuous places within the county in which the
861 project area or proposed project area is located; or

862 (iii) posting notice, excluding the map described in Subsection (3)(b), at least 14 days
863 before the day on which the hearing is held on:

864 (A) the Utah Public Notice Website described in Section 63F-1-701; and

865 (B) the public website of a community located within the boundaries of the project
866 area; and

867 (b) at least 30 days before the hearing, mailing notice to:

868 (i) each record owner of property located within the project area or proposed project
869 area;

- 870 (ii) the State Tax Commission;
- 871 (iii) the assessor and auditor of the county in which the project area or proposed project
872 area is located; and
- 873 ~~[(iv) (A) each member of the taxing entity committee, if applicable; or]~~
874 ~~[(B) if a taxing entity committee has not been formed, the State Board of Education~~
875 ~~and the legislative body or governing board of each taxing entity.]~~
- 876 (iv) (A) if a project area is subject to a taxing entity committee, each member of the
877 taxing entity committee and the State Board of Education; or
- 878 (B) if a project area is not subject to a taxing entity committee, the legislative body or
879 governing board of each taxing entity within the boundaries of the project area or proposed
880 project area.
- 881 (2) The mailing of the notice to record property owners required under Subsection
882 (1)(b)(i) shall be conclusively considered to have been properly completed if:
- 883 (a) the agency mails the notice to the property owners as shown in the records,
884 including an electronic database, of the county recorder's office and at the addresses shown in
885 those records; and
- 886 (b) the county recorder's office records used by the agency in identifying owners to
887 whom the notice is mailed and their addresses were obtained or accessed from the county
888 recorder's office no earlier than 30 days before the mailing.
- 889 (3) The agency shall include in each notice required under Section 17C-1-805:
- 890 (a) (i) a boundary description of the project area or proposed project area; or
891 (ii) (A) a mailing address or telephone number where a person may request that a copy
892 of the boundary description be sent at no cost to the person by mail, email, or facsimile
893 transmission; and
- 894 (B) if the agency or community has an Internet website, an Internet address where a
895 person may gain access to an electronic, printable copy of the boundary description and other
896 related information;
- 897 (b) a map of the boundaries of the project area or proposed project area;
898 (c) an explanation of the purpose of the hearing; and
899 (d) a statement of the date, time, and location of the hearing.
- 900 (4) The agency shall include in each notice under Subsection (1)(b):

901 (a) a statement that property tax [~~revenues~~] revenue resulting from an increase in
902 valuation of property within the project area or proposed project area will be paid to the agency
903 for project area development rather than to the taxing entity to which the tax [~~revenues~~]
904 revenue would otherwise have been paid if:

905 (i) (A) the taxing entity committee consents to the project area budget; [~~and~~] or
906 (B) one or more taxing entities agree to share property tax revenue under an interlocal
907 agreement; and

908 (ii) the project area plan provides for the agency to receive tax increment; and

909 (b) an invitation to the recipient of the notice to submit to the agency comments
910 concerning the subject matter of the hearing before the date of the hearing.

911 (5) An agency may include in a notice under Subsection (1) any other information the
912 agency considers necessary or advisable, including the public purpose achieved by the project
913 area development and any future tax benefits expected to result from the project area
914 development.

915 Section 11. Section **17C-1-902** is amended to read:

916 **17C-1-902. Use of eminent domain -- Conditions.**

917 (1) Except as provided in Subsection (2), an agency may not use eminent domain to
918 acquire property.

919 (2) Subject to the provisions of this part, an agency may, in accordance with Title 78B,
920 Chapter 6, Part 5, Eminent Domain, use eminent domain to acquire an interest in property:

921 (a) within an urban renewal project area if:

922 (i) the board makes a finding of blight under Chapter 2, Part 3, Blight Determination in
923 Urban Renewal Project Areas; and

924 (ii) the urban renewal project area plan provides for the use of eminent domain;

925 (b) that is owned by an agency board member or officer and located within a project
926 area, if the board member or officer consents;

927 (c) within a community reinvestment project area if:

928 (i) the board makes a finding of blight in accordance with Chapter 5, Part 4, Blight
929 Determination in a Community Reinvestment Project Area;

930 (ii) (A) the original community reinvestment project area plan provides for the use of
931 eminent domain; or

932 (B) the community reinvestment project area plan is amended in accordance with
933 Subsection 17C-5-112(4); and

934 (iii) the agency creates a taxing entity committee in accordance with Section
935 17C-1-402;

936 (d) that:

937 (i) is owned by a participant or a property owner that is entitled to receive tax
938 increment or other assistance from the agency;

939 (ii) is within a project area, regardless of when the project area is created, for which the
940 agency made a finding of blight under Section 17C-2-102 or 17C-5-405; and

941 (iii) (A) the participant or property owner described in Subsection (2)(d)(i) fails to
942 develop or improve in accordance with the participation agreement or the project area plan; or

943 (B) for a period of 36 months does not generate the amount of tax increment that the
944 agency projected to receive under the project area budget; or

945 (e) if a property owner requests in writing that the agency exercise eminent domain to
946 acquire the property owner's property within a project area.

947 (3) An agency shall, in accordance with the provisions of this part, commence the
948 acquisition of property described in Subsections (2)(a) through (c) by adopting a resolution
949 authorizing eminent domain within five years after the day on which the project area plan is
950 effective.

951 Section 12. Section **17C-2-110** is amended to read:

952 **17C-2-110. Amending an urban renewal project area plan.**

953 (1) An urban renewal project area plan may be amended as provided in this section.

954 (2) If an agency proposes to amend an urban renewal project area plan to enlarge the
955 project area:

956 (a) subject to Subsection (2)(e), the requirements under this part that apply to adopting
957 a project area plan apply equally to the proposed amendment as if it were a proposed project
958 area plan;

959 (b) for a pre-July 1, 1993, project area plan, the base year for the new area added to the
960 project area shall be determined under Subsection 17C-1-102(9)[~~(a)~~] using the effective date of
961 the amended project area plan;

962 (c) for a post-June 30, 1993, project area plan:

963 (i) the base year for the new area added to the project area shall be determined under
964 Subsection 17C-1-102(9)[(b)] using the date of the taxing entity committee's consent referred
965 to in Subsection (2)(c)(ii); and

966 (ii) the agency shall obtain the consent of the taxing entity committee before the agency
967 may collect tax increment from the area added to the project area by the amendment;

968 (d) the agency shall make a finding regarding the existence of blight in the area
969 proposed to be added to the project area by following the procedure set forth in [~~Subsections~~
970 ~~17C-2-102(1)(a)(i) and (ii)] Chapter 2, Part 3, Blight Determination in Urban Renewal Project
971 Areas; and~~

972 (e) the agency need not make a finding regarding the existence of blight in the project
973 area as described in the original project area plan, if the agency made a finding of the existence
974 of blight regarding that project area in connection with adoption of the original project area
975 plan.

976 (3) If a proposed amendment does not propose to enlarge an urban renewal project
977 area, a board may adopt a resolution approving an amendment to a project area plan after:

978 (a) the agency gives notice, as provided in Section 17C-1-806, of the proposed
979 amendment and of the public hearing required by Subsection (3)(b);

980 (b) the board holds a public hearing on the proposed amendment that meets the
981 requirements of a plan hearing;

982 (c) the agency obtains the taxing entity committee's consent to the amendment, if the
983 amendment proposes:

984 (i) to enlarge the area within the project area from which tax increment is collected;

985 (ii) to permit the agency to receive a greater percentage of tax increment or to extend
986 the project area funds collection period, or both, than allowed under the adopted project area
987 plan; or

988 (iii) for an amendment to a project area plan that was adopted before April 1, 1983, to
989 expand the area from which tax increment is collected to exceed 100 acres of private property;
990 and

991 (d) the agency obtains the consent of the legislative body or governing board of each
992 taxing entity affected, if the amendment proposes to permit the agency to receive, from less
993 than all taxing entities, a greater percentage of tax increment or to extend the project area funds

994 collection period, or both, than allowed under the adopted project area plan.

995 (4) (a) An urban renewal project area plan may be amended without complying with
996 the notice and public hearing requirements of Subsections (2)(a) and (3)(a) and (b) and without
997 obtaining taxing entity committee approval under Subsection (3)(c) if the amendment:

998 (i) makes a minor adjustment in the boundary description of a project area boundary
999 requested by a county assessor or county auditor to avoid inconsistent property boundary lines;
1000 or

1001 (ii) subject to Subsection (4)(b), removes [~~a parcel~~] one or more parcels from a project
1002 area because the agency determines that [~~the~~] each parcel removed is:

1003 (A) tax exempt;

1004 (B) no longer blighted; or

1005 (C) no longer necessary or desirable to the project area.

1006 (b) An amendment removing [~~a parcel~~] one or more parcels from a project area under
1007 Subsection (4)(a)(ii) may be made without the consent of the record property owner of [~~the~~]
1008 each parcel being removed.

1009 (5) (a) An amendment approved by board resolution under this section may not take
1010 effect until adopted by ordinance of the legislative body of the community in which the project
1011 area that is the subject of the project area plan being amended is located.

1012 (b) Upon a community legislative body passing an ordinance adopting an amendment
1013 to a project area plan, the agency whose project area plan was amended shall comply with the
1014 requirements of Sections 17C-2-108 and 17C-2-109 to the same extent as if the amendment
1015 were a project area plan.

1016 (6) (a) Within 30 days after the day on which an amendment to a project area plan
1017 becomes effective, a person may contest the amendment to the project area plan or the
1018 procedure used to adopt the amendment to the project area plan if the amendment or procedure
1019 fails to comply with a provision of this title.

1020 (b) After the 30-day period described in Subsection (6)(a) expires, a person may not
1021 contest the amendment to the project area plan or procedure used to adopt the amendment to
1022 the project area plan for any cause.

1023 Section 13. Section **17C-3-109** is amended to read:

1024 **17C-3-109. Amending an economic development project area plan.**

1025 (1) An economic development project area plan may be amended as provided in this
1026 section.

1027 (2) If an agency proposes to amend an economic development project area plan to
1028 enlarge the project area:

1029 (a) the requirements under this part that apply to adopting a project area plan apply
1030 equally to the proposed amendment as if it were a proposed project area plan;

1031 (b) the base year for the new area added to the project area shall be determined under
1032 Subsection 17C-1-102(9) using the date of the taxing entity committee's consent referred to in
1033 Subsection (2)(c); and

1034 (c) the agency shall obtain the consent of the taxing entity committee before the agency
1035 may collect tax increment from the area added to the project area by the amendment.

1036 (3) If a proposed amendment does not propose to enlarge an economic development
1037 project area, a board may adopt a resolution approving an amendment to an economic
1038 development project area plan after:

1039 (a) the agency gives notice, as provided in Chapter 1, Part 8, Hearing and Notice
1040 Requirements, of the proposed amendment and of the public hearing required by Subsection
1041 (3)(b);

1042 (b) the board holds a public hearing on the proposed amendment that meets the
1043 requirements of a plan hearing;

1044 (c) the agency obtains the taxing entity committee's consent to the amendment, if the
1045 amendment proposes:

1046 (i) to enlarge the area within the project area from which tax increment is received; or

1047 (ii) to permit the agency to receive a greater percentage of tax increment or to extend
1048 the project area funds collection period under the economic development project area plan; and

1049 (d) the agency obtains the consent of the legislative body or governing board of each
1050 taxing entity affected, if the amendment proposes to permit the agency to receive, from less
1051 than all taxing entities, a greater percentage of tax increment or to extend the project area funds
1052 collection period, or both, than allowed under the economic development project area plan.

1053 (4) (a) An economic development project area plan may be amended without
1054 complying with the notice and public hearing requirements of Subsections (2)(a) and (3)(a) and

1055 (b) and without obtaining taxing entity committee approval under Subsection (3)(c) if the

1056 amendment:

1057 (i) makes a minor adjustment in the boundary description of a project area boundary
1058 requested by a county assessor or county auditor to avoid inconsistent property boundary lines;
1059 or

1060 (ii) subject to Subsection (4)(b), removes [~~a parcel~~] one or more parcels from a project
1061 area because the agency determines that [~~the~~] each parcel removed is:

1062 (A) tax exempt; or

1063 (B) no longer necessary or desirable to the project area.

1064 (b) An amendment removing [~~a parcel~~] one or more parcels from a project area under
1065 Subsection (4)(a) may be made without the consent of the record property owner of [~~the~~] each
1066 parcel being removed.

1067 (5) (a) An amendment approved by board resolution under this section may not take
1068 effect until adopted by ordinance of the legislative body of the community in which the project
1069 area that is the subject of the project area plan being amended is located.

1070 (b) Upon a community legislative body passing an ordinance adopting an amendment
1071 to a project area plan, the agency whose project area plan was amended shall comply with the
1072 requirements of Sections 17C-3-107 and 17C-3-108 to the same extent as if the amendment
1073 were a project area plan.

1074 (6) (a) Within 30 days after the day on which an amendment to a project area plan
1075 becomes effective, a person may contest the amendment to the project area plan or the
1076 procedure used to adopt the amendment to the project area plan if the amendment or procedure
1077 fails to comply with a provision of this title.

1078 (b) After the 30-day period described in Subsection (6)(a) expires, a person may not
1079 contest the amendment to the project area plan or procedure used to adopt the amendment to
1080 the project area plan for any cause.

1081 Section 14. Section **17C-4-108** is amended to read:

1082 **17C-4-108. Amending a community development project area plan.**

1083 (1) Except as provided in Subsection (2) and Section 17C-4-109, the requirements
1084 under this part that apply to adopting a community development project area plan apply equally
1085 to a proposed amendment of a community development project area plan as though the
1086 amendment were a proposed project area plan.

1087 (2) (a) Notwithstanding Subsection (1), a community development project area plan
1088 may be amended without complying with the requirements of Chapter 1, Part 8, Hearing and
1089 Notice Requirements, if the proposed amendment:

1090 (i) makes a minor adjustment in the boundary description of a project area boundary
1091 requested by a county assessor or county auditor to avoid inconsistent property boundary lines;
1092 or

1093 (ii) subject to Subsection (2)(b), removes [~~a parcel~~] one or more parcels from a project
1094 area because the agency determines that [~~the~~] each parcel removed is:

1095 (A) tax exempt; or

1096 (B) no longer necessary or desirable to the project area.

1097 (b) An amendment removing [~~a parcel~~] one or more parcels from a community
1098 development project area under Subsection (2)(a)(ii) may be made without the consent of the
1099 record property owner of [~~the~~] each parcel being removed.

1100 (3) (a) An amendment approved by board resolution under this section may not take
1101 effect until adopted by ordinance of the legislative body of the community in which the project
1102 area that is the subject of the project area plan being amended is located.

1103 (b) Upon a community legislative body passing an ordinance adopting an amendment
1104 to a community development project area plan, the agency whose project area plan was
1105 amended shall comply with the requirements of Sections 17C-4-106 and 17C-4-107 to the
1106 same extent as if the amendment were a project area plan.

1107 (4) (a) Within 30 days after the day on which an amendment to a project area plan
1108 becomes effective, a person may contest the amendment to the project area plan or the
1109 procedure used to adopt the amendment to the project area plan if the amendment or procedure
1110 fails to comply with a provision of this title.

1111 (b) After the 30-day period described in Subsection (4)(a) expires, a person may not
1112 contest the amendment to the project area plan or procedure used to adopt the amendment to
1113 the project area plan for any cause.

1114 Section 15. Section **17C-5-104** is amended to read:

1115 **17C-5-104. Process for adopting a community reinvestment project area plan --**
1116 **Prerequisites -- Restrictions.**

1117 (1) An agency may not propose a community reinvestment project area plan unless the

1118 community in which the proposed community reinvestment project area plan is located:

1119 (a) has a planning commission; and

1120 (b) has adopted a general plan under:

1121 (i) if the community is a municipality, Title 10, Chapter 9a, Part 4, General Plan; or

1122 (ii) if the community is a county, Title 17, Chapter 27a, Part 4, General Plan.

1123 (2) (a) Before an agency may adopt a proposed community reinvestment project area

1124 plan, the agency shall conduct a blight study and make a blight determination in accordance

1125 with Part 4, Blight Determination in a Community Reinvestment Project Area, if the agency

1126 anticipates using eminent domain to acquire property within the proposed community

1127 reinvestment project area.

1128 (b) If applicable, an agency may not approve a community reinvestment project area

1129 plan more than one year after the agency adopts a resolution making a finding of blight under

1130 Section 17C-5-402.

1131 (3) To adopt a community reinvestment project area plan, an agency shall:

1132 (a) prepare a proposed community reinvestment project area plan in accordance with

1133 Section 17C-5-105;

1134 (b) make the proposed community reinvestment project area plan available to the

1135 public at the agency's office during normal business hours for at least 30 days before the plan

1136 hearing described in Subsection (3)(e);

1137 (c) before holding the plan hearing described in Subsection (3)(e), provide an

1138 opportunity for the State Board of Education and each taxing entity that levies or imposes a tax

1139 within the proposed community reinvestment project area to consult with the agency regarding

1140 the proposed community reinvestment project area plan;

1141 (d) provide notice of the plan hearing in accordance with Chapter 1, Part 8, Hearing

1142 and Notice Requirements;

1143 (e) hold a plan hearing on the proposed community reinvestment project area plan and,

1144 at the plan hearing:

1145 (i) allow public comment on:

1146 (A) the proposed community reinvestment project area plan; and

1147 (B) whether the agency should revise, approve, or reject the proposed community

1148 reinvestment project area plan; and

1149 (ii) receive all written and oral objections to the proposed community reinvestment
1150 project area plan; and

1151 (f) following the plan hearing described in Subsection (3)(e), or at a subsequent agency
1152 meeting:

1153 (i) consider:

1154 (A) the oral and written objections to the proposed community reinvestment project
1155 area plan and evidence and testimony for and against adoption of the proposed community
1156 reinvestment project area plan; and

1157 (B) whether to revise, approve, or reject the proposed community reinvestment project
1158 area plan;

1159 (ii) adopt a resolution in accordance with Section 17C-5-108 that approves the
1160 proposed community reinvestment project area plan, with or without revisions, as the
1161 community reinvestment project area plan; and

1162 (iii) submit the community reinvestment project area plan to the community legislative
1163 body for adoption.

1164 (4) (a) Except as provided in Subsection (4)(b), an agency may not modify a proposed
1165 community reinvestment project area plan to add [~~a parcel~~] one or more parcels to the proposed
1166 community reinvestment project area unless the agency holds a plan hearing to consider the
1167 addition and gives notice of the plan hearing in accordance with Chapter 1, Part 8, Hearing and
1168 Notice Requirements.

1169 (b) The notice and hearing requirements described in Subsection (4)(a) do not apply to
1170 a proposed community reinvestment project area plan being modified to add [~~a parcel~~] one or
1171 more parcels to the proposed community reinvestment project area if:

1172 (i) [~~the~~] each parcel is contiguous to one or more parcels already included in the
1173 proposed community reinvestment project area under the proposed community reinvestment
1174 project area plan;

1175 (ii) the record owner of [~~the~~] each parcel consents to adding the parcel to the proposed
1176 community reinvestment project area; and

1177 (iii) [~~the~~] each parcel is located within the survey area.

1178 Section 16. Section **17C-5-105** is amended to read:

1179 **17C-5-105. Community reinvestment project area plan requirements.**

1180 ~~[(t)]~~ Each community reinvestment project area plan and proposed community
1181 reinvestment project area plan shall:

1182 ~~[(a)]~~ (1) subject to Section 17C-1-414, if applicable, include a boundary description
1183 and a map of the community reinvestment project area;

1184 ~~[(b)]~~ (2) contain a general statement of the existing land uses, layout of principal
1185 streets, population densities, and building intensities of the community reinvestment project
1186 area and how each will be affected by ~~[the]~~ project area development;

1187 ~~[(c)]~~ (3) state the standards that will guide ~~[the]~~ project area development;

1188 ~~[(d)]~~ (4) show how ~~[the]~~ project area development will further purposes of this title;

1189 ~~[(e)]~~ (5) be consistent with the general plan of the community in which the community
1190 reinvestment project area is located and show that ~~[the]~~ project area development will conform
1191 to the community's general plan;

1192 ~~[(f)]~~ (6) if applicable, describe how project area development will eliminate or reduce
1193 blight in the community reinvestment project area;

1194 ~~[(g)]~~ (7) describe any specific project area development that is the object of the
1195 community reinvestment project area plan;

1196 ~~[(h)]~~ (8) if applicable, explain how the agency plans to select a participant;

1197 ~~[(i)]~~ (9) state each reason the agency selected the community reinvestment project area;

1198 ~~[(j)]~~ (10) describe the physical, social, and economic conditions that exist in the
1199 community reinvestment project area;

1200 ~~[(k)]~~ (11) describe each type of financial assistance that the agency anticipates offering
1201 a participant;

1202 ~~[(l)]~~ report the results of the public benefit analysis described in Subsection (2);
1203 (12) include an analysis or description of the anticipated public benefit resulting from
1204 project area development, including benefits to the community's economic activity and tax
1205 base;

1206 ~~[(m)]~~ (13) if applicable, state that the agency shall comply with Section 9-8-404 as
1207 required under Section 17C-5-106;

1208 ~~[(n)]~~ (14) state whether the community reinvestment project area plan or proposed
1209 community reinvestment project area plan is subject to a taxing entity committee or an
1210 interlocal agreement; and

1211 ~~[(~~o~~) (15) include other information that the agency determines to be necessary or~~
1212 ~~advisable.~~

1213 ~~[(2) (a) An agency shall conduct an analysis in accordance with Subsection (2)(b) to~~
1214 ~~determine whether the proposed community reinvestment project area plan will provide a~~
1215 ~~public benefit.]~~

1216 ~~[(b) The analysis described in Subsection (2)(a) shall consider:]~~

1217 ~~[(i) the benefit of any financial assistance or other public subsidy proposed to be~~
1218 ~~provided by the agency, including:]~~

1219 ~~[(A) an evaluation of the reasonableness of the costs of the proposed project area~~
1220 ~~development;]~~

1221 ~~[(B) efforts that have been, or will be made, to maximize private investment;]~~

1222 ~~[(C) the rationale for use of project area funds, including an analysis of whether the~~
1223 ~~proposed project area development might reasonably be expected to occur in the foreseeable~~
1224 ~~future solely through private investment, and]~~

1225 ~~[(D) an estimate of the total amount of project area funds that the agency intends to~~
1226 ~~spend on project area development and the length of time over which the project area funds~~
1227 ~~will be spent, and]~~

1228 ~~[(ii) the anticipated public benefit derived from the proposed project area development,~~
1229 ~~including:]~~

1230 ~~[(A) the beneficial influences on the community's tax base;]~~

1231 ~~[(B) the associated business and economic activity the proposed project area~~
1232 ~~development will likely stimulate; and]~~

1233 ~~[(C) whether adoption of the proposed community reinvestment project area plan is~~
1234 ~~necessary and appropriate to undertake the proposed project area development.]~~

1235 Section 17. Section **17C-5-108** is amended to read:

1236 **17C-5-108. Board resolution approving a community reinvestment project area**
1237 **plan -- Requirements.**

1238 A board resolution approving a proposed community reinvestment area plan as the
1239 community reinvestment project area plan under Section 17C-5-104 shall contain:

1240 (1) a boundary description of the community reinvestment project area that is the
1241 subject of the community reinvestment project area plan;

- 1242 (2) the agency's purposes and intent with respect to the community reinvestment
1243 project area;
- 1244 (3) the proposed community reinvestment project area plan incorporated by reference;
- 1245 (4) the board findings and determinations that the proposed community reinvestment
1246 project area plan:
- 1247 (a) serves a public purpose;
- 1248 (b) produces a public benefit as demonstrated by the analysis described in Subsection
1249 17C-5-105[~~(2)~~](12);
- 1250 (c) is economically sound and feasible;
- 1251 (d) conforms to the community's general plan; and
- 1252 (e) promotes the public peace, health, safety, and welfare of the community in which
1253 the proposed community reinvestment project area is located; and
- 1254 (5) if the board made a finding of blight under Section 17C-5-402, a statement that the
1255 board made a finding of blight within the proposed community reinvestment project area and
1256 the date on which the board made the finding of blight.

1257 Section 18. Section **17C-5-112** is amended to read:

1258 **17C-5-112. Amending a community reinvestment project area plan.**

- 1259 (1) An agency may amend a community reinvestment project area plan in accordance
1260 with this section.
- 1261 (2) (a) If an amendment proposes to enlarge a community reinvestment project area's
1262 geographic area, the agency shall:
- 1263 (i) comply with this part as though the agency were creating a community reinvestment
1264 project area;
- 1265 (ii) if the agency anticipates receiving project area funds from the area proposed to be
1266 added to the community reinvestment project area, before the agency may collect project area
1267 funds:
- 1268 (A) for a community reinvestment project area plan that is subject to a taxing entity
1269 committee, obtain approval to receive tax increment from the taxing entity committee; or
- 1270 (B) for a community reinvestment project area plan that is subject to an interlocal
1271 agreement, obtain the approval of the taxing entity that is a party to the interlocal agreement;
1272 and

1273 (iii) if the agency anticipates acquiring property in the area proposed to be added to the
1274 community reinvestment project area by eminent domain, follow the procedures described in
1275 Section 17C-5-402.

1276 (b) The base year for the area proposed to be added to the community reinvestment
1277 project area shall be determined using the date of:

1278 (i) the taxing entity committee's consent as described in Subsection (2)(a)(ii)(A); or

1279 (ii) the taxing entity's consent as described in Subsection (2)(a)(ii)(B).

1280 (3) If an amendment does not propose to enlarge a community reinvestment project
1281 area's geographic area, the board may adopt a resolution approving the amendment after the
1282 agency:

1283 (a) if the amendment does not propose to allow the agency to receive a greater amount
1284 of project area funds or to extend a project area funds collection period:

1285 (i) gives notice in accordance with Section 17C-1-806; and

1286 (ii) holds a public hearing on the proposed amendment that meets the requirements
1287 described in [~~Section 17C-1-808~~] Subsection 17C-5-104(3); or

1288 (b) if the amendment proposes to also allow the agency to receive a greater amount of
1289 project area funds or to extend a project area funds collection period:

1290 (i) complies with Subsection (3)(a)(i) and (ii); and

1291 (ii) (A) for a community reinvestment project area plan that is subject to a taxing entity
1292 committee, obtains approval from the taxing entity committee; or

1293 (B) for a community reinvestment project area plan that is subject to an interlocal
1294 agreement, obtains approval to receive project area funds from the taxing entity that is a party
1295 to the interlocal agreement.

1296 (4) (a) An agency may amend a community reinvestment project area plan for a
1297 community reinvestment project area that is subject to an interlocal agreement for the purpose
1298 of using eminent domain to acquire one or more parcels within the community reinvestment
1299 project area.

1300 (b) To amend a community reinvestment project area plan as described in Subsection
1301 (4)(a), an agency shall:

1302 (i) adopt a survey area resolution that identifies each parcel that the agency intends to
1303 study to determine whether blight exists;

1304 (ii) in accordance with Part 4, Blight Determination in a Community Reinvestment
1305 Project Area, conduct a blight study within the survey area and make a blight determination;
1306 (iii) create a taxing entity committee whose sole purpose is to approve any finding of
1307 blight in accordance with Subsection 17C-5-402(3); and
1308 (iv) obtain approval to amend the community reinvestment project area plan from each
1309 taxing entity that is party to an interlocal agreement.

1310 (c) Amending a community reinvestment project area plan as described in this
1311 Subsection (4) does not affect:

1312 (i) the base year of the parcel or parcels that are the subject of an amendment under this
1313 Subsection (4); and
1314 (ii) any interlocal agreement under which the agency is authorized to receive project
1315 area funds from the community reinvestment project area.

1316 (5) An agency may amend a community reinvestment project area plan without
1317 obtaining the consent of a taxing entity or a taxing entity committee and without providing
1318 notice or holding a public hearing if the amendment:

1319 (a) makes a minor adjustment in the community reinvestment project area boundary
1320 that is requested by a county assessor or county auditor to avoid inconsistent property boundary
1321 lines; or
1322 (b) removes ~~[a parcel]~~ one or more parcels from a community reinvestment project area
1323 because the agency determines that ~~[the]~~ each parcel is:

1324 (i) tax exempt;
1325 (ii) no longer blighted; or
1326 (iii) no longer necessary or desirable to the project area.

1327 (6) (a) An amendment approved by board resolution under this section may not take
1328 effect until the community legislative body adopts an ordinance approving the amendment.

1329 (b) Upon the community legislative body adopting an ordinance approving an
1330 amendment under Subsection (6)(a), the agency shall comply with the requirements described
1331 in Sections 17C-5-110 and 17C-5-111 as if the amendment were a community reinvestment
1332 project area plan.

1333 (7) (a) Within 30 days after the day on which an amendment to a project area plan
1334 becomes effective, a person may contest the amendment to the project area plan or the

1335 procedure used to adopt the amendment to the project area plan if the amendment or procedure
1336 fails to comply with a provision of this title.

1337 (b) After the 30-day period described in Subsection (7)(a) expires, a person may not
1338 contest the amendment to the project area plan or procedure used to adopt the amendment to
1339 the project area plan for any cause.

1340 Section 19. Section **59-2-924.2** is amended to read:

1341 **59-2-924.2. Adjustments to the calculation of a taxing entity's certified tax rate.**

1342 (1) For purposes of this section, "certified tax rate" means a certified tax rate calculated
1343 in accordance with Section 59-2-924.

1344 (2) Beginning January 1, 1997, if a taxing entity receives increased revenues from
1345 uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1,
1346 59-2-405.2, or 59-2-405.3 as a result of any county imposing a sales and use tax under Chapter
1347 12, Part 11, County Option Sales and Use Tax, the taxing entity shall decrease its certified tax
1348 rate to offset the increased revenues.

1349 (3) (a) Beginning July 1, 1997, if a county has imposed a sales and use tax under
1350 Chapter 12, Part 11, County Option Sales and Use Tax, the county's certified tax rate shall be:

1351 (i) decreased on a one-time basis by the amount of the estimated sales and use tax
1352 revenue to be distributed to the county under Subsection 59-12-1102(3); and

1353 (ii) increased by the amount necessary to offset the county's reduction in revenue from
1354 uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1,
1355 59-2-405.2, or 59-2-405.3 as a result of the decrease in the certified tax rate under Subsection
1356 (3)(a)(i).

1357 (b) The commission shall determine estimates of sales and use tax distributions for
1358 purposes of Subsection (3)(a).

1359 (4) Beginning January 1, 1998, if a municipality has imposed an additional resort
1360 communities sales and use tax under Section 59-12-402, the municipality's certified tax rate
1361 shall be decreased on a one-time basis by the amount necessary to offset the first 12 months of
1362 estimated revenue from the additional resort communities sales and use tax imposed under
1363 Section 59-12-402.

1364 (5) (a) This Subsection (5) applies to each county that:

1365 (i) establishes a countywide special service district under Title 17D, Chapter 1, Special

1366 Service District Act, to provide jail service, as provided in Subsection 17D-1-201(10); and

1367 (ii) levies a property tax on behalf of the special service district under Section
1368 17D-1-105.

1369 (b) (i) The certified tax rate of each county to which this Subsection (5) applies shall be
1370 decreased by the amount necessary to reduce county revenues by the same amount of revenues
1371 that will be generated by the property tax imposed on behalf of the special service district.

1372 (ii) Each decrease under Subsection (5)(b)(i) shall occur contemporaneously with the
1373 levy on behalf of the special service district under Section 17D-1-105.

1374 (6) (a) As used in this Subsection (6):

1375 (i) "Annexing county" means a county whose unincorporated area is included within a
1376 public safety district by annexation.

1377 (ii) "Annexing municipality" means a municipality whose area is included within a
1378 public safety district by annexation.

1379 (iii) "Equalized public safety protection tax rate" means the tax rate that results from:

1380 (A) calculating, for each participating county and each participating municipality, the
1381 property tax revenue necessary:

1382 (I) in the case of a fire district, to cover all of the costs associated with providing fire
1383 protection, paramedic, and emergency services:

1384 (Aa) for a participating county, in the unincorporated area of the county; and

1385 (Bb) for a participating municipality, in the municipality; or

1386 (II) in the case of a police district, to cover all the costs:

1387 (Aa) associated with providing law enforcement service:

1388 (Ii) for a participating county, in the unincorporated area of the county; and

1389 (Iii) for a participating municipality, in the municipality; and

1390 (Bb) that the police district board designates as the costs to be funded by a property
1391 tax; and

1392 (B) adding all the amounts calculated under Subsection (6)(a)(iii)(A) for all
1393 participating counties and all participating municipalities and then dividing that sum by the
1394 aggregate taxable value of the property, as adjusted in accordance with Section 59-2-913:

1395 (I) for participating counties, in the unincorporated area of all participating counties;

1396 and

- 1397 (II) for participating municipalities, in all the participating municipalities.
- 1398 (iv) "Fire district" means a service area under Title 17B, Chapter 2a, Part 9, Service
1399 Area Act:
- 1400 (A) created to provide fire protection, paramedic, and emergency services; and
1401 (B) in the creation of which an election was not required under Subsection
1402 17B-1-214(3)~~(c)~~(d).
- 1403 (v) "Participating county" means a county whose unincorporated area is included
1404 within a public safety district at the time of the creation of the public safety district.
- 1405 (vi) "Participating municipality" means a municipality whose area is included within a
1406 public safety district at the time of the creation of the public safety district.
- 1407 (vii) "Police district" means a service area under Title 17B, Chapter 2a, Part 9, Service
1408 Area Act, within a county of the first class:
- 1409 (A) created to provide law enforcement service; and
1410 (B) in the creation of which an election was not required under Subsection
1411 17B-1-214(3)~~(c)~~(d).
- 1412 (viii) "Public safety district" means a fire district or a police district.
- 1413 (ix) "Public safety service" means:
- 1414 (A) in the case of a public safety district that is a fire district, fire protection,
1415 paramedic, and emergency services; and
1416 (B) in the case of a public safety district that is a police district, law enforcement
1417 service.
- 1418 (b) In the first year following creation of a public safety district, the certified tax rate of
1419 each participating county and each participating municipality shall be decreased by the amount
1420 of the equalized public safety tax rate.
- 1421 (c) In the first budget year following annexation to a public safety district, the certified
1422 tax rate of each annexing county and each annexing municipality shall be decreased by an
1423 amount equal to the amount of revenue budgeted by the annexing county or annexing
1424 municipality:
- 1425 (i) for public safety service; and
1426 (ii) in:
- 1427 (A) for a taxing entity operating under a January 1 through December 31 fiscal year,

1428 the prior calendar year; or

1429 (B) for a taxing entity operating under a July 1 through June 30 fiscal year, the prior
1430 fiscal year.

1431 (d) Each tax levied under this section by a public safety district shall be considered to
1432 be levied by:

1433 (i) each participating county and each annexing county for purposes of the county's tax
1434 limitation under Section 59-2-908; and

1435 (ii) each participating municipality and each annexing municipality for purposes of the
1436 municipality's tax limitation under Section 10-5-112, for a town, or Section 10-6-133, for a
1437 city.

1438 (e) The calculation of a public safety district's certified tax rate for the year of
1439 annexation shall be adjusted to include an amount of revenue equal to one half of the amount
1440 of revenue budgeted by the annexing entity for public safety service in the annexing entity's
1441 prior fiscal year if:

1442 (i) the public safety district operates on a January 1 through December 31 fiscal year;

1443 (ii) the public safety district approves an annexation of an entity operating on a July 1
1444 through June 30 fiscal year; and

1445 (iii) the annexation described in Subsection (6)(e)(ii) takes effect on July 1.

1446 (7) (a) The base taxable value [~~under~~] as defined in Section 17C-1-102 shall be
1447 reduced for any year to the extent necessary to provide a community reinvestment agency
1448 established under Title 17C, Limited Purpose Local Government Entities - Community
1449 Reinvestment Agency Act, with approximately the same amount of money the agency would
1450 have received without a reduction in the county's certified tax rate, calculated in accordance
1451 with Section 59-2-924, if:

1452 (i) in that year there is a decrease in the certified tax rate under Subsection (2) or (3)(a);

1453 (ii) the amount of the decrease is more than 20% of the county's certified tax rate of the
1454 previous year; and

1455 (iii) the decrease results in a reduction of the amount to be paid to the agency under
1456 Section 17C-1-403 or 17C-1-404.

1457 (b) The base taxable value [~~under~~] as defined in Section 17C-1-102 shall be increased
1458 in any year to the extent necessary to provide a community reinvestment agency with

1459 approximately the same amount of money as the agency would have received without an
1460 increase in the certified tax rate that year if:

1461 (i) in that year the base taxable value [~~under~~] as defined in Section 17C-1-102 is
1462 reduced due to a decrease in the certified tax rate under Subsection (2) or (3)(a); and

1463 (ii) the certified tax rate of a city, school district, local district, or special service
1464 district increases independent of the adjustment to the taxable value of the base year.

1465 (c) Notwithstanding a decrease in the certified tax rate under Subsection (2) or (3)(a),
1466 the amount of money allocated and, when collected, paid each year to a community
1467 reinvestment agency established under Title 17C, Limited Purpose Local Government Entities -
1468 Community Reinvestment Agency Act, for the payment of bonds or other contract
1469 indebtedness, but not for administrative costs, may not be less than that amount would have
1470 been without a decrease in the certified tax rate under Subsection (2) or (3)(a).

1471 (8) (a) For the calendar year beginning on January 1, 2014, the calculation of a county
1472 assessing and collecting levy shall be adjusted by the amount necessary to offset:

1473 (i) any change in the certified tax rate that may result from amendments to Part 16,
1474 Multicounty Assessing and Collecting Levy, in Laws of Utah 2014, Chapter 270, Section 3;
1475 and

1476 (ii) the difference in the amount of revenue a taxing entity receives from or contributes
1477 to the Property Tax Valuation Agency Fund, created in Section 59-2-1602, that may result from
1478 amendments to Part 16, Multicounty Assessing and Collecting Levy, in Laws of Utah 2014,
1479 Chapter 270, Section 3.

1480 (b) A taxing entity is not required to comply with the notice and public hearing
1481 requirements in Section 59-2-919 for an adjustment to the county assessing and collecting levy
1482 described in Subsection (8)(a).

1483 (9) (a) For the calendar year beginning on January 1, 2017, the commission shall
1484 increase or decrease a school district's certified tax rate to offset a change in revenues from the
1485 calendar year beginning on January 1, 2016, to the calendar year beginning on January 1, 2017,
1486 as follows:

1487 (i) the commission shall increase a school district's certified tax rate by the amount
1488 necessary to offset a decrease in revenues that may result from the repeal of Section 59-2-924.3
1489 on December 31, 2016; and

1490 (ii) the commission shall decrease a school district's certified tax rate by the amount
1491 necessary to offset an increase in revenues that may result from the repeal of Section
1492 59-2-924.3 on December 31, 2016.

1493 (b) (i) A school district is not required to comply with the notice and public hearing
1494 requirements of Section 59-2-919 for an offset to the certified tax rate described in Subsection
1495 (9)(a).

1496 (ii) If a school district's certified tax rate is increased in accordance with Subsection
1497 (9)(a)(i), the school district shall:

1498 (A) on or before June 15, 2017, publish the statement provided in Subsection (9)(c)
1499 one or more times in a newspaper or combination of newspapers of general circulation in the
1500 taxing entity, in a portion of the newspaper where legal notices and classified advertisements
1501 do not appear;

1502 (B) on or before June 30, 2017, read the statement provided in Subsection (9)(c) at a
1503 public meeting of the school district; and

1504 (C) if the school district maintains a database containing electronic mail addresses of
1505 one or more persons who reside within the school district boundaries, send the statement
1506 provided in Subsection (9)(c) to those electronic mail addresses.

1507 (c) For purposes of Subsection (9)(b)(ii), the statement is: "For calendar year 2017, the
1508 State Tax Commission is required to increase a property tax rate of this school district to offset
1509 a loss in revenue due to the repeal of a statute to equalize certain school district property taxes.
1510 This offset may result in an increase in your property taxes."

Legislative Review Note
Office of Legislative Research and General Counsel